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Date 9/21/12

For Immediate Release:

UNEMPLOYMENT RATE 6.3%

(HELENA) --- Montana's unemployment rate decreased slightly to 6.3% in August. The national rate decreased by 0.2% to 8.1%.

"Like last year, Montana's employment figures held steady during the summer months," said Labor Commissioner Keith Kelly. "Overall, we expect Montana to continue its employment growth after this summer stall. About 8,000 jobs have been added during the past year, posting fairly rapid job growth of 1.7%."

Both Montana and the U.S. rate decreases were caused by reductions in the labor force, which is the number of people working or looking for work. Montana total employment figures were essentially flat for August, losing 308 jobs on a seasonally adjusted basis for a -0.1% change, while the labor force declined by 407 workers. This month's losses place Montana employment figures at roughly the same level they were at in May, yet still posting strong employment growth over the past year. Payroll employment figures painted a more optimistic picture for the month, adding 1,900 workers in August. Private employment growth comprises nearly all of the payroll employment gains over the past year.

The Consumer Price Index for All Urban Consumers (CPI-U) increased sharply by 0.6% in August, with almost 80 percent of the increase resulting from gasoline price increases. Gasoline prices rose 9% over the month, causing a 5.6% spike in the overall energy index. The food index increased by 0.2%. The increase in the all items less food and energy index, referred to as core inflation, remained relatively steady at 0.1% for the second straight month.

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The Montana Department of Labor and Industry released the annual Labor Day Report on August 31, 2012, which includes a review of the Montana's economy over the past year. The report is available at http://ourfactsyourfuture.org/admin/uploadedPublications/4913_LDR-12.pdf.

*** Unemployment figures are seasonally-adjusted. Seasonally-adjusted numbers remove the effects of events that follow a more or less regular month-to-month pattern each year. These adjustments make nonseasonal patterns easier to identify. The margin of error for the unemployment rate is plus or minus 0.8 percentage points at the 90 percent confidence level. All questions relating to the calculation of unemployment rates should be directed to the Montana Department of Labor and Industry's Research and Analysis Bureau at 1-800-541-3904.*

The September 2012 Labor Situation Report will be released on Friday, October 19.

******* INFORMATION AVAILABLE ON THE INTERNET *******



Visit our website at www.ourfactsyourfuture.org for additional information and analysis, including answers to questions about the unemployment rate, industry employment levels, and annual employment data for Montana's Indian Reservations. **A review of the annual Labor Day Report is in this month's Economy at a Glance article.** County labor force information can be found by using this link:

<http://www.ourfactsyourfuture.org/cgi/databrowsing/?PAGEID=4&SUBID=205>